

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 90-626-C - ORDER NO. 91-976 ✓
NOVEMBER 1, 1991

IN RE: Application of Southern Bell Telephone) ORDER
and Telegraph Company to Avail Itself) HOLDING
of Incentive Regulation of its Intrastate) TARIFF IN
Operations) ABEYANCE

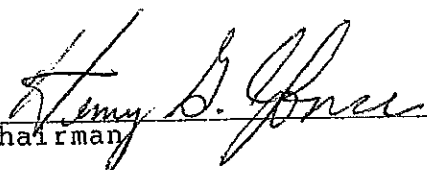
This matter comes before the Public Service Commission of South Carolina (the Commission) by way of a tariff filing dated October 8, 1991, filed on behalf of Southern Bell Telephone and Telegraph Company (Southern Bell or the Company). The tariff filing was made pursuant to Order No. 91-595, issued in the instant docket on August 20, 1991.

In Order No. 91-595, the Commission found that the Company was presently earning 13.25% on equity, and the Commission found that the Company's benchmark rate of return should be set at 13%. The Commission determined that before any incentive regulation plans becomes effective, the Company should make an appropriate filing for the Commission's approval to reduce its earnings to the established benchmark. The Commission calculated that a \$2,308,995 revenue reduction would be in order. Further, the Commission required in Order No. 91-595 that the filing would be noticed to the public and would be reviewed to determine the appropriate reduction in the Company's revenues.

The tariff filing by the Company represents a \$2,354,215 reduction in revenues. As filed by the Company, the tariff purports to regroup twenty-eight (28) exchanges, which would increase revenues by \$2,576,523; reduce Message Toll Service rates by \$2,594,016; restructure and reduce Saver Service and WATS rates by \$354,932; restructure and reduce outward WATS and 800 service rates by \$979,494; and reduce originating and terminating carrier common line rates by \$1,002,296. As required by Order No. 91-595, the Commission has determined that this tariff filing should be held in abeyance and noticed to the public. Parties of record in the instant docket shall remain parties of record, but other interested parties will be given the opportunity to intervene or participate as parties of record concerning the tariff filing of Southern Bell. The Commission will notify all interested parties of the date set for hearing in this matter. This tariff is hereby held in abeyance until the Commission determines, after hearing, the appropriate reduction in Southern Bell's revenues.

IT IS SO ORDERED.

BY ORDER OF THE COMMISSION:


VICE Chairman

ATTEST:


Executive Director

(SEAL)